



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**LARRY B. MARTIN
COMMISSIONER**

FOR IMMEDIATE RELEASE
FRIDAY, SEPTEMBER 12, 2014

CONTACT: DAVID THURMAN
615-741-4806

AUGUST REVENUES

NASHVILLE, Tenn. – Tennessee revenue collections exceeded budgeted estimates for the first month of the state’s fiscal year. Finance and Administration Commissioner Larry Martin today reported that overall August revenues were \$870 million, which is \$31 million above collections a year ago. The growth rate for August was 3.70%.

“Sales taxes collected by retailers in July grew 6.73 percent, the largest month-over-month growth we have experienced in the past 27 months,” Martin said. “Corporate tax collections grew by 9.25 percent, but were still slightly under budgeted expectations. All other taxes, taken as a group, had negative growth of 5.33% but were \$6.1 million above the budgeted estimate for August.

“While we are encouraged by the August numbers, we continue to be concerned about the relatively slow economic recovery in Tennessee. It is important for us to maintain our close controls on state spending and to carefully monitor revenue trends.”

On an accrual basis, August is the first month in the 2014-2015 fiscal year.

August collections were \$24.4 million more than the budgeted estimate. The general fund was over collected by \$22.7 million and the four other funds that share in state tax collections were over collected by \$1.7 million.

Sales tax collections were \$19.2 million more than the estimate for August. The August growth rate was positive 6.73%.

Franchise and excise taxes combined were \$0.9 million below the budgeted estimate of \$35.5 million, and the growth rate was positive 9.25%.

Gasoline and motor fuel collections increased by 4.91% from August of 2013, and were \$0.3 million above the budgeted estimate of \$70.1 million.

Inheritance tax collections were \$2.5 million above the budgeted estimate.

Privilege tax collections were \$1.8 million more than the budgeted estimate of \$21.4 million

Business tax collections were \$2.4 million above the August estimate.

Tobacco tax collections for the month were under collected by \$1.1 million.

All other taxes were over collected by a net of \$0.2 million.

The budgeted revenue estimates for 2014-2015 are based on the State Funding Board’s consensus recommendation of December 17th, 2013 and adopted by the second session of the 108th General Assembly in April 2014. They’re available at <http://www.tn.gov/finance/bud/Revenues.shtml>.

Table 1
Revenue Collections by Fund
August
2014-2015

Fund	2014				2013	2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$687,853,000	\$665,142,000	\$22,711,000	3.41%	\$681,112,000	\$6,741,000	0.99%
Highway Fund	57,610,000	57,436,000	174,000	0.30%	56,172,000	1,438,000	2.56%
Sinking Fund	31,213,000	31,068,000	145,000	0.47%	34,230,000	(3,017,000)	-8.81%
City & County Fund	89,699,000	88,361,000	1,338,000	1.51%	64,509,000	25,190,000	39.05%
Earmarked Fund	3,584,000	3,583,000	1,000	0.03%	2,899,000	685,000	23.63%
Total	\$869,959,000	\$845,590,000	\$24,369,000	2.88%	\$838,922,000	\$31,037,000	3.70%

Revenue Collections by Tax
August
2014-2015

Tax Source	2014				2013	2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$34,584,000	\$35,500,000	(\$916,000)	-2.58%	\$31,656,000	\$2,928,000	9.25%
Income	1,384,000	1,445,000	(61,000)	-4.22%	1,150,000	234,000	20.35%
Inheritance & Estate	9,111,000	6,564,000	2,547,000	38.80%	8,666,000	445,000	5.14%
Gasoline	53,374,000	52,417,000	957,000	1.83%	50,649,000	2,725,000	5.38%
Petroleum Special	5,448,000	5,357,000	91,000	1.70%	5,182,000	266,000	5.13%
Tobacco	23,118,000	24,169,000	(1,051,000)	-4.35%	23,308,000	(190,000)	-0.82%
Beer	1,606,000	1,544,000	62,000	4.02%	1,618,000	(12,000)	-0.74%
Motor Vehicle Registration	20,987,000	20,672,000	315,000	1.52%	22,224,000	(1,237,000)	-5.57%
Motor Vehicle Title	1,069,000	1,040,000	29,000	2.79%	1,110,000	(41,000)	-3.69%
Mixed Drink	6,554,000	5,987,000	567,000	9.47%	5,469,000	1,085,000	19.84%
Business	3,844,000	1,413,000	2,431,000	172.05%	18,674,000	(14,830,000)	-79.42%
Privilege	23,170,000	21,375,000	1,795,000	8.40%	24,258,000	(1,088,000)	-4.49%
Gross Receipts	12,854,000	13,833,000	(979,000)	-7.08%	11,823,000	1,031,000	8.72%
TVA - In Lieu of Tax Payments	27,076,000	27,076,000	-	0.00%	27,297,000	(221,000)	-0.81%
Alcoholic Beverage	4,165,000	4,009,000	156,000	3.89%	4,164,000	1,000	0.02%
Sales and Use	629,734,000	610,577,000	19,157,000	3.14%	590,045,000	39,689,000	6.73%
Motor Vehicle Fuel	11,628,000	12,353,000	(725,000)	-5.87%	11,320,000	308,000	2.72%
Severance	223,000	259,000	(36,000)	-13.90%	244,000	(21,000)	-8.61%
Coin-operated Amusement	30,000	0	30,000	NA	65,000	(35,000)	-53.85%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$869,959,000	\$845,590,000	\$24,369,000	2.88%	\$838,922,000	\$31,037,000	3.70%